

IN THE UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF TEXAS  
SAN ANTONIO DIVISION

JASON ROCHE, ET AL  
Each Individually and  
on behalf of All Others  
Similarly Situated

NO. 5:15-CV-268-XR

VERSUS

S-3 PUMP SERVICE, INC.

30(b)(6) DEPOSITION OF S-3 PUMP SERVICE, INC.  
DEPOSITION OF MALCOLM H. SNEED, III  
September 28, 2015

Reported By:  
Donna B. Crenshaw  
Certified Court Reporter

1 exactly everybody meant.

2 Okay?

3 A. Yes, ma'am.

4 Q. Okay. So what did you do to prepare for this  
5 deposition?

6 A. What did I do?

7 Q. Yeah.

8 A. Made myself some notes from memory and  
9 checked on a few things, and that was about it.

10 Q. Did you review any documents?

11 A. Did I review documents?

12 Q. Yes, to prepare for the deposition today.

13 A. Yes, I did.

14 Q. Which documents did you review, sir?

15 A. They're internal documents.

16 Q. Could you name those documents?

17 A. Well, I mean, I'm going to answer them in  
18 later questions, but one of them was pay. We have a  
19 sheet that is set up to show a hand's starting wages.  
20 There's a guideline in there, a low and a high. Same  
21 thing with supervisor.

22 We generate that because, when we hire  
23 somebody based on previous employment and what their  
24 knowledge set is, we may start somebody at a higher  
25 rate than somebody else.

1 Q. Okay. So you reviewed some pay sheet that  
2 shows wages for the employees; right?

3 A. For hiring, yes.

4 Q. For hiring employees. Is that just like a  
5 guide?

6 A. It's a guide.

7 Q. Okay. And who prepares this guide?

8 A. I do.

9 Q. You do. And are you aware if this pay sheet  
10 was produced to us in this production that --

11 A. I have no idea if it was or not.

12 Q. -- was done several years ago? Okay.

13 A. It doesn't mean anything. But, I mean, if  
14 you want it, you can sure have it.

15 Q. Okay. Yes, I sure do want it. I sure do  
16 want it then. I would like to request this document.

17 A. Not a problem.

18 Q. Okay. Anything else that you reviewed?

19 A. No.

20 Q. You said that you made some notes.

21 Where are those notes?

22 A. They're in a shredding machine at the moment,  
23 I think.

24 Q. Did you shred those notes that you made?

25 A. Well, they were my internal thoughts. I'm a

1 now what you wrote there, is that what you're saying?

2 MR. HILBURN: Objection, form.

3 A. Yes.

4 BY MS. JACKSON:

5 Q. Okay. Thank you. Can you please tell me  
6 what is your current job title right now at S-3 Pump  
7 Service?

8 A. CEO.

9 Q. And how long have you been the CEO?

10 A. Ten years.

11 Q. And are you also -- did you incorporate S-3  
12 Pump Service?

13 A. Yes.

14 Q. Okay. What did you do before you became CEO  
15 of S-3 Pump Service?

16 A. Ten years prior I was district manager for  
17 Weatherford International over fishing and rental for  
18 North Louisiana.

19 Q. And what is Weatherford International? What  
20 do they do?

21 A. It's an old field service company.

22 Q. And how long did you work for them?

23 A. Ten years.

24 Q. What did you do before Weatherford?

25 A. Before Weatherford, I was in sales at a

1 office.

2 Q. Does your wife has an office?

3 A. Yes. She is my executive secretary.

4 Q. So you say you are responsible for insurance,  
5 handling insurance, for S-3 Pump Service?

6 A. Yes.

7 Q. You mean workers' comp insurance?

8 A. Workers' comp, general liability; everything  
9 we need.

10 Q. Okay. Do you know if S-3 Pump Service have  
11 any insurance that covers this type of lawsuits?

12 A. I haven't checked, but probably not.

13 Q. Okay.

14 A. No. Cover a lawsuit like this?

15 Q. Yeah.

16 A. No, there is no insurance.

17 Q. Any lawsuits {sic} for employment-type  
18 lawsuits?

19 A. No.

20 Q. Do you have workers' comp insurance?

21 A. Yes, ma'am.

22 Q. Okay. You also said that you're responsible  
23 for payroll as part of S-3 Pump Service?

24 A. Well, not necessarily doing payroll, but that  
25 everything is done in accordance with what we do. If

1 there's a problem with payroll, it gets wrote up, it  
2 comes to me, I have to sign off on it, and we fix  
3 whatever problem that was where we don't have it  
4 again. That's within the corporate structure.

5 Q. So does S-3 Pump Service have a payroll  
6 department?

7 A. Yes.

8 Q. How many people work there?

9 A. One and then her work is reviewed by one of  
10 the vice-presidents.

11 Q. How many employees do you have right now,  
12 sir?

13 A. We're way down. Probably, and I'm guessing,  
14 between 70 and 80.

15 Q. And what was the highest number of employees  
16 S-3 Pump Service ever had?

17 A. Last I heard was 165 at one point.

18 Q. And this one payroll person handles payroll  
19 for everybody?

20 A. That is correct.

21 Q. So, no matter where employee works, in Texas,  
22 in Louisiana, anywhere in the field, that one person  
23 in payroll department handles payroll for every  
24 worker?

25 A. That's correct.



1 Q. Okay. And then you said vice-president is  
2 responsible for payroll, as well?

3 A. Vice-president of the corporate office, yes.

4 Q. Who is that?

5 A. That would be Courtney Sneed.

6 Q. Is that your daughter?

7 A. Yes, ma'am.

8 Q. What are her job duties relating to payroll?

9 A. Her job duties are to look over payroll after  
10 it's been generated within the system and to okay yes,  
11 we can go ahead and print checks.

12 Q. So do you report to anybody at S-3 Pump  
13 Service, or you're the highest person?

14 A. It's me.

15 Q. Okay. Who reports to you?

16 A. Who reports to me?

17 Q. Yeah.

18 A. Oh, God. First off, everybody in the  
19 company, but directly it would be Nicole and  
20 Courtney -- well, Nicole Scates; Courtney Sneed over  
21 corporate; Richard Silva, who is president of  
22 operations; and then Lesley Amos, my CFO; and then  
23 there's a chart that carries down below that.

24 Q. Okay. And we're going to go over  
25 organizational chart a little bit later. I think

1 A. Correct.

2 Q. Okay. So we clarified that your wife, she's  
3 not a CEO, she's just your executive secretary?

4 A. That's correct. She doesn't work a whole lot  
5 anymore.

6 Q. Okay. Is she retired?

7 A. No.

8 Q. Are you still working every day?

9 A. Not every day.

10 Q. How often do you --

11 A. Oh, me?

12 Q. Yeah.

13 A. No, I work every day.

14 Q. Okay.

15 A. I'm sorry. I thought you meant my wife.

16 Q. No. No. Let me ask -- let me ask you about  
17 you first.

18 Do you still go to work every day?

19 A. Yes, ma'am.

20 Q. And your office is located at the 1918 Barton  
21 Drive, Shreveport?

22 A. Correct.

23 Q. Which is the corporate office for S-3 Pump  
24 Service?

25 A. Correct.



1 Q. You have your own personal office there?

2 A. Yes.

3 Q. Your wife has her own personal office there?

4 A. Yes.

5 Q. Okay. What time do you usually get to work?

6 A. 7:30.

7 Q. What time do you usually leave work?

8 A. Depends, 6:30 to 9:00 or 10:00.

9 Q. So you put in full day of work every day?

10 A. Correct.

11 Q. 14, 90 hours a week, or -- I'm trying to  
12 figure out how much you work, actually.

13 A. Probably 14. When I go home, I work. So I  
14 do 14, 15 hours of work a day easy.

15 Q. How many hours your wife works?

16 MR. HILBURN: I'm going to object again to  
17 the extent this is outside the scope of the witness  
18 designation.

19 A. I would hate to put a number on it.

20 BY MS. JACKSON:

21 Q. Just give me your best estimate. I know she  
22 works at home, which is --

23 A. Six, seven hours.

24 Q. A day?

25 A. Yeah, if that.

1 Q. Okay. Does she work every day?

2 A. No.

3 Q. Okay.

4 A. As my executive secretary she does not work  
5 every day, no.

6 Q. How many days a week she usually works?

7 A. Four.

8 Q. Okay. Do you spend majority of your time  
9 working from the corporate office, or you travel a  
10 lot, too?

11 A. Corporate office.

12 Q. Can you describe to me your regular workday.

13 A. Regular workday, show up 7:30ish. Get  
14 something to drink, sit down, start going through all  
15 the P&L statements within the company. I look at  
16 those daily.

17 Pull up previously what our field reports  
18 were, how many jobs we were on, who they were for, how  
19 much we're getting for said jobs, is there problems  
20 with equipment.

21 Every day is different. I mean, one day you  
22 talk about insurance, and another day you're talking  
23 about safety, you know. Just everything it  
24 encompasses running a company.

25 Q. What is you said pen {sic} statements, what

1 Q. Okay. To your knowledge, does S-3 Pump  
2 Service have a handbook for the employees?

3 A. Yes.

4 Q. Who put that handbook together?

5 A. That handbook, I did the initial one. Our  
6 handbook now goes to our insurance carrier. They  
7 review it every year and deem what needs to be added  
8 and what needs to be taken out.

9 Q. Okay. So, when you started, when you and  
10 your wife started your company in 2005, right, you put  
11 together the handbook for the employees?

12 A. Correct.

13 Q. How did you do that? Did you just sit down  
14 and write it? Did you take a copy from somewhere and  
15 just put it together?

16 A. I used the guidelines from Weatherford  
17 International is what I used.

18 Q. Okay. So you just took the handbook that you  
19 were familiar with while you were working for  
20 Weatherford International and made some changes and  
21 say here you go, we're going to have this handbook?

22 A. Correct.

23 Q. Okay. Did you do it on your own, or you had  
24 somebody else helping you?

25 A. I did it myself.

1 Q. Okay. How many employees did S-3 Pump  
2 Service have when it started?

3 A. Two.

4 Q. You and your wife?

5 A. That's correct.

6 Q. Okay. The first year when S-3 Pump Service  
7 was operating, how many employees -- what is the  
8 highest number of employees that it had?

9 A. That would have been three or four.

10 Q. Do you remember when you put this handbook  
11 together?

12 A. It was before we actually started the  
13 business.

14 Q. Okay. What other documents did you put  
15 together when you start S-3 Pump Service?

16 A. Safety stuff, training, just everything that  
17 a business owner has to put together.

18 Q. Okay. So training manuals was something that  
19 you drafted?

20 A. The training manuals are what oil companies  
21 said we had to have and what we needed to train.

22 Q. So where did you get that training manual?

23 A. I don't recall. On-line site where you  
24 download modules to do training and stuff.

25 Q. Okay. And safety manual, the same way, you

1 just pull it from some website?

2 A. Safety manual, basically, came from  
3 Weatherford and critiqued for our business.

4 Q. Did you make any changes?

5 A. Oh, yeah.

6 Q. Okay. When you were employed at Weatherford,  
7 you were working for them as the district manager;  
8 right?

9 A. Yes.

10 Q. Okay. And you took a lot of practices how  
11 Weatherford did business to your new company?

12 MR. HILBURN: Objection, form.

13 A. What do you mean by practices?

14 BY MS. JACKSON:

15 Q. Well, you basically -- you know, you adopted  
16 the handbook, because you, obviously, probably like it  
17 or otherwise you wouldn't take it; right?

18 MR. HILBURN: Objection, form.

19 BY MS. JACKSON:

20 Q. You wouldn't use it at S-3 Pump Service?

21 A. Right.

22 Q. So you took the handbook and adopted it for  
23 S-3 Pump Service and just used that handbook; right?

24 A. Yes.

25 Q. Okay. You took some other -- you said you

1 took some safety manual from them?

2 A. I drafted mine close to theirs, yes.

3 Q. Okay. What other practices did you take from  
4 the Weatherford and adopt at S-3 Pump Service?

5 A. Are we talking about paper stuff?

6 Q. Papers, yes.

7 A. That's it.

8 Q. That's it. Okay.

9 What about the manner of how you pay  
10 employees?

11 A. Demeanor?

12 Q. No, the manner. Like, you know, employee  
13 classifications, did you take it from the Weatherford?

14 A. No.

15 Q. How did you decide how much money you're  
16 going to pay your employees?

17 A. That depends on the market and what it takes  
18 to bring good talent in. That changes day to day in  
19 the oil and gas industry.

20 Q. Did you make the decision of whether to pay  
21 employees salary or whether to pay them hourly?

22 A. No, we did salary.

23 Q. Okay. Who made the decision?

24 A. I did.

25 Q. Okay. And is that how Weatherford paid